

FY 2001-02 BUDGET

BUDGET SECTION SUMMARY

Section Title:

SANITATION ZONE - GRATON

A. Program Description

This budget finances the operation, maintenance, and administration of a collection system, pumping stations, treatment plant, and disposal facilities serving the Graton

B. Financial Summary

Section	GROSS EXPENDITURES			NET COST/USE OF FUND BALANCE		
	FY 00-01 Adopted	FY 01-02 Requested	Percent Change	FY 00-01 Adopted	FY 01-02 Requested	Percent Change
Operations	\$503,245	\$544,062	8.11%	\$89,639	\$108,815	21.39%
Bonds	10,725	10,275	(4.20%)	(8,025)	(3,615)	(54.95%)
Construction	79,278	420,000	429.78%	33,778	377,750	1018.33%
TOTAL:	\$593,248	\$974,337	64.24%	\$115,392	\$482,950	318.53%

C. Staffing Summary

No staffing is allocated to this index.

D. Workload Summary

Workload Indicator	FY 99-00 Actual	FY 00-01 Budget Estimate	FY 00-01 Revised Estimate	FY 01-02 Projected	Change from FY 00-01 Budget Estimate
Total ESDs	611	619	623	629	1.62%
Total APNs	458	468	468	468	0.00%

E. Summary of Issues and Significant Changes

The Graton Sanitation Zone (Graton SZ) treatment facility, which became operational in 1976, is designed to treat an average dry weather flow of up to 140,000 gallons per day to secondary wastewater treatment standards. Treated wastewater from the Graton plant is discharged into Atascadero Creek, a tributary to the Russian River, between October 1 and May 14 each year and is used by private property owners for irrigation between May 15 and September 30.

In the 1980s, the NCRWQCB issued an action plan based on its Russian River Basin Plan, which mandated that all discharges to the Russian River or its tributaries be treated to AWT standards. In November of 1993, the Graton SZ certified the Forestville and Graton Wastewater Facilities Improvement Project Final Environmental Impact Report (Forestville and Graton EIR), which addressed the environmental impacts of two alternatives that would allow both the Forestville CSD and Graton SZ to comply with the NCRWQCB AWT requirements. The Graton SZ later approved the "Stand Alone" project identified in the Forestville and Graton EIR. The approved project included upgrading both the Forestville CSD and Graton SZ treatment facilities to AWT Standards, separately. While portions of the project have been implemented (irrigation of candidate recycled water user sites), the Graton SZ treatment facility has not been upgraded to AWT standards due to financial reasons.

E. Summary of Issues and Significant Changes (Continued)

In June 1995, the Graton SZ approved the "Regional Facilities" project identified in the Forestville and Graton EIR. This project included upgrading the Graton SZ treatment facility, only, to AWT standards. In 1996, as part of the "Regional Facilities" project, an underground pipeline was constructed between the Forestville CSD and Graton SZ treatment facilities to allow for the transfer of recycled waater between these facilities, and the delivery of recycled water to irrigation customers between these locations. The remaining portions of the "Regional Facilities" project have not been completed due to financial reasons and lack of public support.

In December of 1996, an application was submitted to the Sonoma County Local Agency Formation Commission (LAFCO) to form the Graton Community Services District (GCSD) and dissolve the Agency's Graton SZ. Upon review by LAFCO, the application was determined to be incomplete and additional information was requested. Since that time, representatives of the Graton SZ ratepayers obtained funding to update both the engineering and financial information for a revised LAFCO application. The revised application will be submitted to LAFCO for consideration when complete. Representatives of the Graton SZ ratepayers intend to look at several alternatives for complvina with the NCRWQCB AWT requirements as they develop their revised

If efforts to form the GCSD and dissolve the Agency's Graton SZ are not successful, the Agency will still need to comply with the NCRWQCB AWT requirements by eliminating discharges to Atascadero Creek or upgrading the Graton SZ treatment facility to AWT standards. The cost of eliminating regular discharges to Atascadero Creek or constructing facilities to meet AWT requirements is estimated to be approximately \$3,000,000.

It is anticipated that the Forestville CSD will be using its portion of the existing transfer line between Forestville CSD and the Graton SZ to convey tertiary treated water to its recycled water users once the Forestville CSD AWT Upgrade Project is completed in FY 02-03. This will effectively eliminate the ability to transfer water between the Graton SZ and the Forestville CSD. Because Graton SZ operations depend on transfers to the Forestville CSD for disposal during the discharge season, a pipeline project which would facilitate these transfers is being planned for construction in FY 04-05 and FY 05-06.

E. Summary of Issues and Significant Changes (Continued)

In January 2000, Agency staff held a Sanitation Workshop presenting a summary of operational and regulatory issues associated with sanitation systems operated by the Agency, providing information regarding past operational practices, changes in the regulatory environment, the estimated cost of sanitation services, and strategies for addressing current and future operational issues. Three levels of service and their costs were identified for each of the sanitation systems and are described below.

Minimum Level of Service: Includes services necessary for the protection of public health, employee safety, and public safety.

Standard Level of Service: Includes services necessary to operate and maintain the sanitation systems in order to limit or reduce the risk of (1) service interruption and (2) violations of the respective National Pollutant Discharge Elimination System (NPDES) permit or Waste Discharge Requirements (WDRs) issued by the Regional Boards.

Asset Preservation Level of Service: Includes services and programs necessary to (1) operate, maintain and replace facilities and equipment within the sanitation systems in order to preserve the system's assets, (2) provide a beneficial impact on the quality of life in the community, and (3) provide economic savings to the ratepayers through optimizing life cycle costs.

The requested rate per ESD for FY 01-02 annual service charges is \$680, representing a 3.03% increase from FY 00-01. The requested increase will fully fund the programs and services necessary to provide a standard level of service and partially fund programs necessary to provide an asset preservation level of service for the forthcoming fiscal year.

F. Summary of Reduction Options

No reduction options are proposed.

G. Attachments

- Summary of Revenues and Expenditures
- Character Justification
- Statement of Special Fund Activity

FY 2001-02 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SANITATION ZONE - GRATON - OPERATIONS
Section/Index No: 677104

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
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REVENUES:

TAXES

1001 Flat Charges - CY	\$387,486	\$408,903	\$21,417	5.53%
1061 Flat Charges - PY	7,000	7,000	0	0.00%
1120 Penalties / Costs on Taxes	1,000	1,000	0	0.00%
Subtotal Taxes	\$395,486	\$416,903	\$21,417	5.42%

USE OF MONEY

1700 Interest on Pooled Cash	\$13,500	\$13,500	\$0	0.00%
Subtotal Use of Money	\$13,500	\$13,500	\$0	0.00%

CHARGES FOR SERVICES

3400 Sanitation Services	\$4,620	\$4,844	\$224	4.85%
Subtotal Charges for Services	\$4,620	\$4,844	\$224	4.85%

TOTAL REVENUES	\$413,606	\$435,247	\$21,641	5.23%
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EXPENDITURES:

SERVICES AND SUPPLIES

6040 Communications	\$2,400	\$2,000	(\$400)	(16.67%)
6180 Maintenance - Bldgs/Imp	25,000	25,000	0	0.00%
6262 Lab Supplies	310	400	90	29.03%
6522 District Services	148,000	160,000	12,000	8.11%
6573 Administration Costs	4,150	4,300	150	3.61%
6610 Legal Services	1,050	6,000	4,950	471.43%
6630 Audit / Accounting Services	4,576	4,700	124	2.71%
6640 Debt Issuance Costs	1,439	1,439	0	0.00%
7212 Chemicals	5,350	5,500	150	2.80%
7217 State Permits / Fees	22,000	16,000	(6,000)	(27.27%)
7320 Utilities	45,000	60,000	15,000	33.33%
Subtotal Services and Supplies	\$259,275	\$285,339	\$26,064	10.05%

SUMMARY OF REVENUES AND EXPENDITURES

Index No.: 677104

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
<u>OTHER CHARGES</u>				
7931 Lease / Purchase Interest	\$58,970	\$56,723	(\$2,247)	(3.81%)
7980 Depreciation	130,000	130,000	0	0.00%
Subtotal Other Charges	\$188,970	\$186,723	(\$2,247)	(1.19%)
<u>FIXED ASSETS</u>				
8510 Building / Improvements	\$0	\$20,000	\$20,000	N/A
Subtotal Fixed Assets	\$0	\$20,000	\$20,000	N/A
<u>OTHER FINANCING USES</u>				
8625 OT - W/in Special Dist - BOS	\$43,000	\$40,000	(\$3,000)	(6.98%)
Subtotal Other Financing	\$43,000	\$40,000	(\$3,000)	(6.98%)
<u>APPROPRIATIONS FOR CONTIN.</u>				
9000 Appropriations for Contingencies	\$12,000	\$12,000	\$0	0.00%
Subtotal Appropriations for Contin.	\$12,000	\$12,000	\$0	0.00%
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
9200 Ent - Principal	\$33,920	\$36,160	\$2,240	6.60%
9209 Ent - Principal Clearing	(33,920)	(36,160)	(2,240)	6.60%
Subtotal Administrative Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$503,245	\$544,062	\$40,817	8.11%
TOTAL NET COST				
<i>(Expenditures Minus Revenues)</i>				
	\$89,639	\$108,815	\$19,176	21.39%

FY 2001-02 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sanitation Zone - Graton - Operations

Character: Taxes

Character No.: 677104-10

1001 Flat Charges - CY

Flat charge revenue from annual service charges is expected to increase from the adopted FY 00-01 budget. The rate will increase 4.8%, from \$660 to \$692. Additionally, the number of ESDs charged on the tax roll is expected to increase from 624 budgeted in FY 00-01 to 629 for FY 01-02.

ESDs times annual rate: 622 x \$692 \$430,424

Less Estimated Delinquency Factor: 5% (21,521)
\$408,903

1061 Flat Charges - PY

This item records the estimated delinquent amount of prior years sewer service charges.

1120 Penalties / Costs on Taxes

This item records penalties paid on delinquent sewer service charges.

Character Title: Use of Money

Character No.: 677104-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Zone by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance \$300,000

Projected Interest Rate 4.50%

Projected/Planned Interest on Pooled Cash \$13,500

Character Title: Charges for Services

Character No.: 677104-30

3400 Sanitation Services

This account records annual sewer service charges for entities that are invoiced, rather than collected as flat charges on the tax roll, and for new hook-ups as they occur during the year. The Sanitation Rate Ordinance requires that charges be collected at the time permits are issued. The properties are then added to the tax roll master listing and collected through sub-object 1001, Flat Charges, in the following year.

The Zone will experience an increase in revenue from invoiced entities due to the annual sewer service charge increase from \$660 to \$680. The number of budgeted invoiced ESDs will remain the same as last fiscal year (7).

ESDs x Annual Charge 7 x \$692 = \$4,844

FY 2001-02 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sanitation Zone - Graton - Operations

Character: Services and Supplies

Character No.: 677104-60

6040 Communications

This account records expenses paid by the Zone for outside communication services such as Pacific Bell and AT&T, as well as for the cost of alarm services provided by Honeywell. A slight decrease is projected in this account for the forthcoming fiscal year.

6180 Maintenance - Bldgs / Impr

This account records the cost of parts and materials required to maintain the treatment plant and collection system. No increase is expected in this account for the forthcoming fiscal year.

6262 Lab Supplies

This account records the cost of lab supplies required for testing and monitoring wastewater.

6522 District Services

This account records the cost of labor and overhead associated with operation and maintenance of the Zone's facilities and equipment, as well as other miscellaneous related service and supply items. The District Services budget for FY 00-01 is expected to be overrun. The proposed FY 01-02 budget reflects a significant increase from the FY 00-01 budget. The requested amount has been increased to reflect the level of cost determined necessary to provide a standard level of service at the Graton SZ.

6573 Administration Costs

This account represents the 1% administration fee assessed by the County for processing collection of flat charges on the tax roll.

6610 Legal Services

This item is requested to provide funds for the estimated cost of legal services to be provided by County Counsel, or outside legal services, as required. The requested increase in expenditures is made to cover anticipated legal expenses from our proposal to LAFCO.

6630 Audit / Accounting Services

This item represents the direct allocation of Auditor-Controller Fiscal Services staff costs for time expected to be spent on the Zone's accounting.

6640 Debt Issuance Cost

Generally Accepted Accounting Principles require that debt issuance costs be amortized over the term of the financing agreement. This is a non-cash transaction; however, appropriations are required to book the entry.

FY 2001-02 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sanitation Zone - Graton - Operations

Character: Services and Supplies (continued) **Character No.:** 677104-60

7212 Chemicals

This account records the cost of chemicals required for operation of the treatment plant. The requested amount is considered necessary to meet the discharge requirements of the Zone's NPDES permit, as required by the State Water Quality Control Board.

7217 State Permits / Fees

This account records the cost of District permits related to NPDES, as mandated by the Regional Water Quality Control Board.

7320 Utilities

This account records the cost of utilities, such as gas, electricity, and water. Our recent cost experience indicates that higher power costs may be incurred during the forthcoming year.

Character: Other Charges **Character No.:** 677104-75

7931 Lease / Purchase Interest

This account records the interest expense for Graton's share of the Forestville and Graton Regional Wastewater Facilities Capital lease. The interest rate is 6.5%. The FY 01-02 request is based on the bond amortization schedule prepared at the time the bonds were sold.

7980 Depreciation

Generally accepted accounting principles require that depreciation be expensed each year.

Character: Fixed Assets **Character No.:** 677104-85

8510 Buildings / Improvements

This account is used for maintenance of facilities and equipment.

Character: Other Financing Uses **Character No.:** 677104-86

8625 OT - W/in Special Dist - BOS

This account reflects the transfer of cash from the operations fund to the construction fund to finance the capital replacement program. If the operations fund does not have sufficient cash available to finance planned capital projects, the transfer will not be made and the uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

FY 2001-02 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sanitation Zone - Graton - Operations

Character: Appropriations for Contingencies

Character No.: 677104-90

9000 Appropriations for Contingencies

This account provides funding for unanticipated expenditures or revenue shortfalls.

Character: Administrative Controls

Character No.: 677104-92

9200 Ent - Principal

This account reflects the principal expense for Graton's share of the Forestville and Graton Regional Wastewater Facilities Capital lease. The interest rate is 6.5%. Payments began September 1, 1996 and will continue semi-annually until March 1, 2016. The request for the forthcoming year is based on the bond amortization schedule prepared at the time the bonds were sold.

The following reflects the bond principal payment history to date:

Graton's Share of the bond amount (41.2545% of \$2,500,000 bond):	\$1,031,363
Principal Payment by Graton (FY 96-97 through FY 00-01):	(149,854)
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Outstanding Bond Amount	\$881,509

9209 Ent - Principal Clearing

This is the clearing account for sub-object 9200, Ent - Principal.

FY 2001-02 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sanitation Zone - Graton - Operations

Index No.: 677104

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$265,239	\$307,983	\$322,719
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	421,894	435,986	435,247
Expenditures - (Decrease) fund balance	(470,166)	(505,769)	(544,062)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	(48,272)	(69,783)	(108,815)
Adjustments to Reserves/Encumbrances:			
7980 - Depreciation	116,513	117,000	130,000
8090 - Loss on Fixed Assets	-	-	-
6640 - Amortized Loan Costs	1,439	1,439	1,439
9200 - Adj. Loan Repayment	(31,818)	(33,920)	(36,160)
Change in Capital Lease Obligation	(2,102)		
Change in Interest Payable			
Net Trustee Interest	(733)		
Net Change in Encumbrance	7,717		
Interest Payable Adjustment			
Net Adjustment - Increase/(Decrease) to Fund Balance	91,016	84,519	95,279
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$307,983	\$322,719	\$309,183
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$42,744	\$14,736	(\$13,536)
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/99</u>	<u>7/1/00</u>	
Cash	\$315,729	\$347,153	
Accounts Receivable	78	0	
Other Receivables	17,357	19,654	
Prepaid Expense	0	0	
Vouchers Payable	(6,137)	(4,675)	
Accounts Payable	(1,335)	0	
Interest Payable	(20,524)	(19,835)	
Capitalized Lease Obligation (Current)	(31,818)	(33,920)	
Encumbrances	(8,111)	(394)	
Total Beginning Fund Balance	\$265,239	\$307,983	

FY 2001-02 BUDGET

SUMMARY OF REVENUES AND EXPENDITURES

Section Title: **SANITATION ZONE - GRATON - BONDS**
 Section/Index No: **677203**

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
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REVENUES:

TAXES

1000 Prop Taxes - CY Secured	\$15,000	\$10,000	(\$5,000)	(33.33%)
1020 Prop Taxes - CY Supplemental	500	500	0	0.00%
1040 Prop Taxes - CY Unsecured	1,000	1,000	0	0.00%

Subtotal Taxes	\$16,500	\$11,500	(\$5,000)	(30.30%)
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USE OF MONEY

1700 Interest on Pooled Cash	\$1,750	\$1,890	\$140	8.00%
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Subtotal Use of Money	\$1,750	\$1,890	\$140	8.00%
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INTERGOVERNMENTAL REVENUE

2440 St - HOPTR	\$500	\$500	\$0	0.00%
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Subtotal Intergovernmental Revenue	\$500	\$500	\$0	0.00%
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TOTAL REVENUES	\$18,750	\$13,890	(\$4,860)	(25.92%)
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EXPENDITURES:

SERVICES AND SUPPLIES

6635 Fiscal Agent Fees	\$200	\$200	\$0	0.00%
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Subtotal Services and Supplies	\$200	\$200	\$0	0.00%
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OTHER CHARGES

7920 Interest	\$10,525	\$10,075	(\$450)	(4.28%)
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Subtotal Other Charges	\$10,525	\$10,075	(\$450)	(4.28%)
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ADMINISTRATIVE CONTROL ACCT

9200 Ent - Principal	\$9,000	\$9,000	\$0	0.00%
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9209 Ent - Principal Clearing	(9,000)	(9,000)	0	0.00%
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Subtotal Administrative Control	\$0	\$0	\$0	N/A
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TOTAL EXPENDITURES	\$10,725	\$10,275	(\$450)	(4.20%)
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TOTAL NET COST	(\$8,025)	(\$3,615)	\$4,410	(54.95%)
<i>(Expenditures Minus Revenues)</i>				

FY 2001-02 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sanitation Zone - Graton - Bonds

Character: Taxes

Character No.: 677203-10

1000 Prop Taxes - CY Secured

The Auditor-Controller establishes a tax rate sufficient to accumulate tax revenues necessary to make bond payments of interest and principal. The bonds were passed to fund construction of sewage facilities.

1020 Prop Taxes - CY Supplemental

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

1040 Prop Taxes - CY Unsecured

The amount requested for property tax revenue is based on prior year actuals and current year estimates from the Auditor-Controller's office.

Note:

The FY 2001-02 bond payment amount (principal and interest) is \$19,075. To avoid major fluctuations in the tax rate from year to year, the tax amount budgeted and/or collected each year may not correspond exactly to the annual bond payment (P&I). Over or under collection in any single year (when compared to the bond payment for that year) merely increases or decreases the fund balance retained for this index. The Auditor's long term tax rate calculations are designed to ensure that debt service obligations are met, while retaining an appropriate level of fund balance, and minimizing unnecessary tax rate fluctuations.

Character: Use of Money

Character No.: 677203-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Zone by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$42,000
Projected Interest Rate	4.50%
Projected/Planned Interest on Pooled Cash	<u>\$1,890</u>

Character: Intergovernmental Revenue

Character No.: 677203-20

2440 St - HOPTR

This account records the receipt of State Home Owner's Property Tax Relief as allocated by the Auditor's Office. The claim is filed with the State based on the number of Homeowner's exemptions filed with the County.

FY 2001-02 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sanitation Zone - Graton - Bonds

Character: Services and Supplies

Character No.: 677203-60

6635 Fiscal Agent Fees

This account records the fee collected by the County Treasurer for acting as the fiscal agent.

Character: Other Charges

Character No.: 677203-75

7920 Interest

This account reflects the interest expense on the outstanding general obligation bonds. The interest rate is 5%. Payments began March 1, 1977 and will continue semi-annually until September 1, 2016. The request for the forthcoming fiscal year is based on the bond amortization schedule prepared at the time the bonds were sold.

Character: Administrative Control

Character No.: 677203-92

9200 Ent - Principal

This account reflects the principal expense for general obligation bonds that were issued in 1976 to finance the local share of a wastewater collection system. Payments on the bonds will continue until September 1, 2016. The request for the forthcoming fiscal year is based on the bond amortization schedule prepared at the time the bonds were sold.

The following reflects the bond principal payment history to date:

Original Amount of the General Obligation Bond Issue:	\$350,000
Total FY 76-77 through FY 99-00 Principal Payments by Graton:	(119,000)
FY 00-01 Principal Payment by Graton:	(9,000)
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Outstanding Bond Amount	\$222,000

9209 Ent - Principal Clearing

This is the clearing account for sub-object 9200, Ent - Principal.

FY 2001-02 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sanitation Zone - Graton - Bonds

Index No.: 677203

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$34,698	\$29,549	\$28,574
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	14,718	18,750	13,890
Expenditures - (Decrease) fund balance	(10,867)	(10,725)	(10,275)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	3,851	8,025	3,615
Adjustments to Reserves/Encumbrances:			
9200 - Enterprise Principal	(8,000)	(9,000)	(9,000)
Change in Matured Bonds Payable	(1,000)	-	-
Net Adjustment - Increase/(Decrease) to Fund Balance	(9,000)	(9,000)	(9,000)
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$29,549	\$28,574	\$23,189
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	(\$5,149)	(\$975)	(\$5,385)
<u>Fund Balance Components at Beginning of FY</u>	7/1/99	7/1/00	
Cash	\$46,415	\$42,134	
Matured Bonds Payable	(\$8,000)	(\$9,000)	
Interest Payable	(3,717)	(3,583)	
Total Beginning Fund Balance	\$34,698	\$29,551	

FY 2001-02 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: SANITATION ZONE - GRATON - CONSTRUCTION
Section/Index No: 677310

Sub-Object No. and Title	Adopted 2000-01	Requested 2001-02	Difference	Percent Change
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REVENUES:

USE OF MONEY

1700 Interest on Pooled Cash	\$2,500	\$2,250	(\$250)	(10.00%)
Subtotal Use of Money	\$2,500	\$2,250	(\$250)	(10.00%)

ADMINISTRATIVE CONTROL

4200 Contributed Capital	\$0	\$400,000	\$400,000	N/A
4229 Contributed Capital Clearing	\$0	(\$400,000)	(\$400,000)	N/A
Subtotal Adminisrative Control	\$0	(\$400,000)	(\$400,000)	N/A

OTHER FINANCING SOURCES

4625 OT - W/in Special Dist - BOS	\$43,000	\$40,000	(\$3,000)	(6.98%)
Subtotal Other Financing Sources	\$43,000	\$40,000	(\$3,000)	(6.98%)

TOTAL REVENUES	\$45,500	\$42,250	(\$3,250)	(7.14%)
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EXPENDITURES:

FIXED ASSETS

8510 Building/Improvement	\$59,278	\$400,000	\$340,722	574.79%
9142 Capital Replacement Program	20,000	20,000	0	0.00%
9199 Rebudget - Bldgs / Impr	0	0	0	N/A
Subtotal Fixed Assets	\$79,278	\$420,000	\$340,722	429.78%

TOTAL EXPENDITURES	\$79,278	\$420,000	\$340,722	429.78%
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TOTAL NET COST (Expenditures Minus Revenues)	\$33,778	\$377,750	\$343,972	1018.33%
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FY 2001-02 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Sanitation

Section Title: Sanitation Zone - Graton - Construction

Character: Use of Money

Character No.: 677310-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Zone by the County Treasurer's office.

Estimated Average Cash Balance	\$50,000
Projected Interest Rate	4.50%
Projected/Planned Interest on Pooled Cash	\$2,250

Character: Administrative Control

Character No.: 677310-42

4220 Contributed Capital

In order to fund the Pipeline from Graton to Forestville, the Zone is anticipating payment from the Forestville CSD for Forestville's increased participation in ownership of the pipeline running between the Forestville and Graton treatment plants.

4229 Contributed Capital - Clearing

This is the clearing account for sub-object 4200, Contributed Capital

Character Title: Other Financing Sources

Character No.: 677310-46

4625 OT- W/in Special Dist - BOS

This account reflects the transfer of cash from the operations fund to the construction fund to finance the capital replacement program. If the operations fund does not have sufficient cash available to finance planned capital projects, the transfer will not be made and the uncompleted projects will be rescheduled and rebudgeted in the next fiscal year.

Character: Fixed Assets

Character No.: 677310-85

8510 Buildings / Improvements

This account reflects funds for treatment plant and reclamation system improvement projects. The funds requested for the forthcoming year are expected to cover most of the design and construction costs for a pipeline to transfer water from the Graton SZ to the Forestville CSD.

9142 Capital Replacement Program

This account is used to provide funds for repair and replacement of the sewer collection system. The present system has locations where inflow and infiltration problems exist. Pond storage is also limited during high storm events. Long-term replacement of existing facilities that are worn out and in disrepair will help to bring the facilities up to current sanitation standards and will extend the life of the sanitation infrastructure. Due to severely limited capital funds, a relatively minor amount is requested for the forthcoming fiscal year for projects aimed at accomplishing these objectives.

FY 2001-02 BUDGET

STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Sanitation

Section: Sanitation Zone - Graton - Construction

Index No.: 677310

DESCRIPTION OF FUND ACTIVITY	Actual FY 99-00	Estimated FY 00-01	Requested FY 01-02
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$63,385	\$94,993	\$61,993
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	39,050	47,000	42,250
Expenditures - (Decrease) fund balance	(4,393)	(80,000)	(420,000)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	34,657	(33,000)	(377,750)
Adjustments to Reserves/Encumbrances:			
1701 - Interest from Trustee	0		
4220 - Contributed Capital	0		400,000
7931 - Capitalized Interest	(3,049)		
Adjustment for Net Payable	0		
Change in Encumbrances	0		
Net Adjustment - Increase/(Decrease) to Fund Balance	(3,049)	0	400,000
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$94,993	\$61,993	\$84,243
Total Increase/(Decrease) in Fund Balance for Fiscal Year (Difference between Beginning and Ending Balance)	\$31,608	(\$33,000)	\$22,250
<u>Fund Balance Components at Beginning of FY</u>	<u>7/1/99</u>	<u>7/1/00</u>	
Cash	\$63,195	\$97,234	
Cash with Trustee (Interest Portion Only)	0	0	
Accounts Receivable	190	190	
Due to Other Funds	0	0	
Interest Payable	0	0	
Accounts Payable	0	(2,431)	
Encumbrances	0	0	
Total Beginning Fund Balance	\$63,385	\$94,993	